

ACTION PLAN AMENDMENTS

July 22, 2010

My name is Stuart Hersh, and like most people in Austin, I rent.

The Action Plan draft is an attempt to strike a balance between contractual obligations that the City of Austin has with the United States Department of Housing and Urban Development and the housing priorities of this community established by the City Council and documented in numerous reports the City has funded.

I recommend amendments to the draft Action Plan that could result in both greater availability of federal and local funds to promote Austin's housing affordability goals and contractual compliance with federal and local requirements. Here are my suggestions:

1. Homeownership applications for General Obligation bonds filed prior to January 1, 2010 will be placed on the first available October, 2010 agenda of the Board of Directors of the Austin Housing Finance Corporation, if the pending application(s) has been updated with current cost information.
2. If funding sources become available in 2009-2010, The Willows, Sweeney Circle, and The Ivy will become eligible for funding in 2009-2010. Performance measures for Permanent Supportive Housing at these respective sites will be included in the 2010-2011 Budget for rental units expected to completed and occupied after October 1, 2010.
3. HOME, CHDO, GO Bond, and Housing Trust Funds available in 2009-2010 and 2010-2011 be limited to due diligence, preparation of architectural and engineering plans for bid purposes, code compliance, accessibility/vistability compliance and Green Building compliance for the following federally funded projects appearing on the draft Action Plan list: Anderson CDC – 1113 Myrtle Street, Anderson CDC – 24 units, Juniper Olive Phase III, and 11th and 12th Street. This will allow all of these housing developments to proceed in accordance with negotiated compliance agreements while making housing resources increasingly available for for-profit and not-for-profit housing developments that are ready to proceed.
4. HOME, CDBG, GO Bond, and Housing Trust Funds not required for activities described in #1, #2 and #3 above are available for the following housing programs in 2010 - 2011: Permanent Supportive Housing, Rental Housing and Development Assistance, Homeownership and GO Repair! This will allow Community Housing Development Organizations (CHDOs) to apply for HOME and other funding sources needed to fulfill contractual and regulatory requirements related to funding of CHDO capacity building.
5. Since the General Fund and other funds have received in excess of \$500,000 in repaid S.M.A.R.T. Housing fee waivers, and none of these repaid fee waivers have are made available for affordable housing as originally intended, the proposed City budget for 2010-2011 should be amended to include an additional \$500,000 for repair of homes owned by households at or below 50% MFI and 30% MFI. If the expected repair averages \$10,000, an additional 50 households should be assisted in 2010-2011.
6. The increased City property tax revenue for land governed by the 9/7/00 Council resolution requiring 40% of all City property tax revenue on land not on the tax rolls in 1997 to be allocated for housing affordability should be reflected in the 2010-2011 City Budget for the Housing Trust Fund. This should include, but not be limited to, improvements at the W site in the 300 block of West 2nd Street; improvements at The Triangle that generate City property tax revenue; and any

City property tax generated at the former Mueller airport site, the former Vision Village site, and other locations not on the City tax rolls in 1997.

7. All permanent supportive rental housing serving households at or below 30% Median Family Income completed after 3/25/10 is counted toward the 350 unit/30% MFI goal established by the City Council.
8. All funding in 2010-2011 requires applicants

With these amendments to the draft Action Plan, the City of Austin will position itself to maximize opportunities for the poorest renters among us as well as working families aspiring to or seeking to retain homeownership.

Shersh@austin.rr.com
512-587-5093 (cell)